

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6664
BILL NUMBER: SB 222

DATE PREPARED: Mar 22, 2002
BILL AMENDED: Mar 14, 2002

SUBJECT: Fraudulent Schemes Relating to Health Care Providers.

FISCAL ANALYST: Mark Goodpaster
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FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (CCR Amended) This bill prohibits an owner or employee of certain health care providers from receiving money or assets as a loan or gift from an individual who receives care from the provider. It makes the penalty for committing the offense a Class A infraction. It permits certain gifts made in writing before two disinterested witnesses. It permits a court to order the health care provider to: (1) return assets; (2) repay the money with interest; and (3) pay treble damages and reasonable attorney's fees in certain cases.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) No data exists concerning the frequency that owners or employees of health care providers receive gifts, loans, or assets from a person who has received services from that provider without the transaction being executed in writing and witnessed by two disinterested parties. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class A infraction is \$10,000 which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive

3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: